

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

THE HONORABLE GEORGE H. KING, UNITED STATES DISTRICT JUDGE

UNITED STATES OF AMERICA,)
)
PLAINTIFF,)
VS.) NO. CR-07-0134-DDP
)
SONNY VLEISIDES,)
)
DEFENDANT.)
_____)

REPORTER'S TRANSCRIPT OF PROCEEDINGS

LOS ANGELES, CALIFORNIA

WEDNESDAY, SEPTEMBER 23, 2009; 9:38 A.M.

SETTLEMENT CONFERENCE

MARY RIORDAN RICKEY, CSR 11252
OFFICIAL COURT REPORTER
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ROOM 181-G
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1 APPEARANCES OF COUNSEL:

2
3 FOR THE PLAINTIFF:

4 U.S. DEPARTMENT OF JUSTICE
5 UNITED STATES ATTORNEY'S OFFICE
6 BY: GEORGE CARDONA
7 ACTING UNITED STATES ATTORNEY
8 DANIEL A. SAUNDERS
9 ASSISTANT UNITED STATES ATTORNEY
10 1500 U.S. COURTHOUSE
11 312 NORTH SPRING STREET
12 LOS ANGELES, CALIFORNIA 90012
13 (213) 894-2434
14

15
16 FOR THE DEFENDANT:

17 LAW OFFICES OF GREGORY NICOLAYSEN
18 BY: GREGORY NICOLAYSEN
19 ATTORNEY AT LAW
20 27240 TURNBERRY LANE
21 SUITE 200
22 VALENCIA, CALIFORNIA 91355
23 (818) 970-7247
24
25

1 LOS ANGELES, CALIFORNIA; WEDNESDAY, SEPTEMBER 23, 2009

2 9:38 A.M.

3 --OOO--

4 THE CLERK: PLEASE REMAIN SEATED AND COME TO ORDER.

5 THIS UNITED STATES DISTRICT COURT IS AGAIN IN
6 SESSION, THE HONORABLE GEORGE H. KING, JUDGE PRESIDING.

7 CALLING ITEM 1 ON THE COURT'S CALENDAR, CRIMINAL
8 07-134-DDP, UNITED STATES OF AMERICA VERSUS SONNY VLEISIDES.

9 COUNSEL, PLEASE COME FORWARD AND STATE YOUR
10 APPEARANCES FOR THE RECORD.

11 MR. SAUNDERS: DANIEL SAUNDERS FOR THE GOVERNMENT.
12 ALSO PRESENT WITH ME ON BEHALF OF THE UNITED STATES ARE ACTING
13 U.S. ATTORNEY GEORGE CARDONA AND U.S. POSTAL INSPECTOR
14 SHERRY DELANEY WHO IS THE LEAD CASE AGENT ON THIS CASE.

15 THE COURT: ALL RIGHT. VERY GOOD. GOOD MORNING.

16 MR. NICOLAYSEN: GOOD MORNING, YOUR HONOR.
17 GREGORY NICOLAYSEN APPEARING AS COUNSEL OF RECORD FOR
18 DEFENDANT SONNY VLEISIDES WHO IS PRESENT ON BOND. WE THANK
19 THE COURT VERY MUCH FOR BEING AVAILABLE TO US.

20 THE COURT: YES, GOOD MORNING. ALL RIGHT.

21 MR. NICOLAYSEN, WHY DON'T YOU AND YOUR CLIENT
22 APPROACH THE LECTURN. I JUST WANT TO HAVE SOME PROCEDURAL
23 MATTERS PUT ON THE RECORD TO ENSURE THAT IT IS APPROPRIATE FOR
24 US TO CONDUCT THIS SETTLEMENT CONFERENCE.

25 MR. NICOLAYSEN: ABSOLUTELY.

1 (MR. NICOLAYSEN AND MR. VLEISIDES APPROACH LECTURN.)

2 THE COURT: ALL RIGHT. THIS MATTER'S BEFORE US FOR
3 SETTLEMENT CONFERENCE. PURSUANT TO THE PARTIES' DESIRE AND
4 REQUEST, THIS MATTER HAS BEEN REFERRED TO US BY JUDGE
5 DEAN PREGERSON, THE TRIAL JUDGE, FOR US TO CONDUCT A
6 SETTLEMENT CONFERENCE TO SEE IF A DISPOSITION CAN BE WORKED
7 OUT IN THIS MATTER SHORT OF TRIAL.

8 THE RECORD SHOULD REFLECT THAT MR. SONNY VLEISIDES
9 IS PRESENT AND IS REPRESENTED BY HIS COUNSEL, MR. GREGORY
10 NICOLAYSEN AND THAT THE GOVERNMENT IS PRESENT, REPRESENTED BY
11 MR. DANIEL SAUNDERS, A.U.S.A.

12 THE PURPOSE OF THIS ON-THE-RECORD SESSION IS TO
13 ENSURE THAT EVERYONE IS WILLING AND DESIROUS OF PROCEEDING
14 WITH THE SETTLEMENT CONFERENCE.

15 TO THAT END, ALTHOUGH THE PARTIES HAVE ALREADY
16 INDICATED TO THE COURT THROUGH THE COURT CLERK THAT THAT'S
17 YOUR DESIRE, I WANT TO MAKE SURE THAT THE GROUND RULES FOR
18 TODAY'S CONFERENCE ARE CLEARLY SET FORTH SO THAT ALL PARTIES,
19 INCLUDING MR. VLEISIDES INDIVIDUALLY AND PERSONALLY,
20 UNDERSTAND THESE GROUND RULES AND WOULD BE AGREEABLE TO
21 PARTICIPATING UNDER THOSE CONDITIONS.

22 MR. VLEISIDES, FIRST OF ALL, LET ME ADDRESS YOU.
23 AND THAT IS, FIRST AND FOREMOST, YOU UNDERSTAND THAT ANY
24 PARTICIPATION BY YOU IN THIS SETTLEMENT CONFERENCE IS ENTIRELY
25 AND PURELY VOLUNTARILY.

1 DO YOU UNDERSTAND THAT?

2 THE DEFENDANT: YES, SIR, YOUR HONOR, I DO.

3 THE COURT: SO EVEN THOUGH YOUR COUNSEL HAS STATED
4 THAT IT IS YOUR DESIRE TO PARTICIPATE IN THIS SETTLEMENT
5 CONFERENCE, YOU UNDERSTAND THAT I'M GOING SET FORTH THESE
6 GROUND RULES, AND AT THE END OF THAT, I'M GOING TO ASK YOU IN
7 LIGHT OF THOSE GROUND RULES WHETHER OR NOT YOU INTEND AND
8 DESIRE TO PERSIST IN YOUR STATED DESIRE TO PARTICIPATE IN THE
9 CONFERENCE.

10 DO YOU UNDERSTAND THAT?

11 THE DEFENDANT: YES, SIR.

12 THE COURT: ALL RIGHT. SO LET ME EXPLAIN THESE
13 RULES TO YOU. OBVIOUSLY, IF YOU CHANGE YOUR MIND AFTER YOU
14 HEAR THEM, I WILL RESPECT YOUR DECISION.

15 I'M HERE TO CONDUCT A SETTLEMENT CONFERENCE ONLY. I
16 WILL HAVE ABSOLUTELY NO PARTICIPATION IN THE TRIAL OF YOUR
17 CASE SHOULD THIS MATTER GO TO TRIAL.

18 THIS WILL REMAIN WITH JUDGE PREGERSON. IT IS HIS
19 CASE. IF THIS HAS TO BE TRIED, YOU WOULD GO BACK HIM. EVEN
20 IF WE WERE TO REACH A SETTLEMENT, ALL FURTHER PROCEEDINGS WILL
21 BE RETURNED TO JUDGE PREGERSON, AND HE WOULD HANDLE ALL OF
22 THAT.

23 DO YOU UNDERSTAND THAT, MR. VLEISIDES?

24 THE DEFENDANT: YES, I DO.

25 THE COURT: MOREOVER, WHATEVER WE MAY SAY IN THE

1 COURSE OF THE SETTLEMENT CONFERENCE, I WILL NOT SHARE WITH
2 JUDGE PREGERSON. AND THE REASON FOR DOING THAT IS THAT I WANT
3 TO ENCOURAGE THE MOST CANDID DISCUSSION WITH ME BY BOTH SIDES
4 SO THAT THEY CAN BE ASSURED THAT NOTHING THAT'S SAID TO ME IN
5 CANDOR DURING SETTLEMENT WILL EVER GET BACK TO THE TRIAL
6 JUDGE.

7 THE ONLY THING JUDGE PREGERSON WILL KNOW IS IF THE
8 CASE SETTLES OR DOESN'T SETTLE.

9 IF THE CASE SETTLES, OF COURSE, HE WILL HAVE TO KNOW
10 THE TERMS OF THE SETTLEMENT SO THAT HE CAN CONDUCT FURTHER
11 PROCEEDINGS.

12 IF THE CASE DOESN'T SETTLE, THAT'S ALL HE WILL KNOW.
13 I WILL TELL HIM THE CASE DID NOT SETTLE DESPITE OUR EFFORTS.
14 I WILL NOT TELL HIM WHICH SIDE -- IF INDEED THERE IS A SIDE OR
15 BOTH SIDES, ULTIMATELY, DECIDE THAT SETTLEMENT ISN'T FOR HIM
16 OR THEM.

17 AND DO YOU UNDERSTAND THAT, MR. VLEISIDES?

18 THE DEFENDANT: YES, I DO.

19 THE COURT: NOW, IF WE BEGIN WITH THE SETTLEMENT,
20 WHAT WE'LL DO IS WE WILL ADJOURN TO CHAMBERS. YOU WILL WAIT
21 HERE IN THE COURTROOM. I WILL HAVE SOME BRIEF DISCUSSIONS
22 WITH COUNSEL SO THAT I UNDERSTAND SORT OF LIKE WHAT THE
23 BACKGROUND IS AND THE LAY OF THE LAND. I KNOW VIRTUALLY
24 NOTHING ABOUT THIS CASE OTHER THAN HAVING READ THE INDICTMENT
25 IN THIS CASE.

1 AND THEN I WILL CAUCUS INDIVIDUALLY. I WILL TALK TO
2 EITHER MR. SAUNDERS FIRST OR WITH MR. NICOLAYSEN, DEPENDING
3 UPON WHAT MAKES SENSE AFTER WE HAVE OUR INITIAL DISCUSSIONS.

4 AND WHAT I SAY OR THEY SAY TO ME WHILE WE'RE
5 SEPARATELY CAUCUSING WILL REMAIN WITH THAT PARTY WHO MADE THE
6 DISCLOSURE. NOTHING THAT'S SAID TO ME WILL EVER BE DISCLOSED
7 TO THE OTHER SIDE ABSENT A SPECIFIC AUTHORIZATION BY THE
8 DISCLOSING PARTY THAT IT SHOULD BE DISCLOSED TO THE OTHER
9 SIDE.

10 I WANT THE PARTIES TO BE OPEN AND FRANK WITH ME, NOT
11 TO TAKE ON NEGOTIATING POSITIONS WITH ME BECAUSE I'M NOT
12 NEGOTIATING WITH ANYBODY. I'M MERELY THE NEUTRAL. I DON'T
13 NEGOTIATE WITH THE DEFENDANT. I DON'T NEGOTIATE WITH THE
14 GOVERNMENT.

15 I WANT TO, HOWEVER, KNOW WHAT BOTH SIDES ARE
16 THINKING. THAT WAY, I CAN BEST DISCHARGE MY ROLE AS A NEUTRAL
17 TO SEE WHETHER OR NOT THERE MIGHT BE SOME COMMON GROUND THAT
18 COULD BE ACHIEVED. IF SO, TERRIFIC. IF NOT, THEN WE WILL
19 KNOW THAT WE HAVE GIVEN IT OUR BEST SHOT.

20 THE BOTTOM LINE IS, IF THERE IS NO DISCLOSURE MADE
21 AND, AT THE END OF THE DAY, THERE IS NO SETTLEMENT, THEN
22 NEITHER SIDE WILL BE PREJUDICED OR COMPROMISED IN THEIR
23 POSITION BECAUSE YOU WILL WALK OUT IN THE SAME POSITION THAT
24 YOU WALKED IN.

25 YOU MAY HAVE TOLD ME WHERE YOUR POSITION REALLY

1 MIGHT BE, BUT I'M NOT TELLING ANYBODY. AND SO IT DOESN'T
2 MATTER, AND I WILL HAVE NO FURTHER PARTICIPATION IN THIS CASE.

3 NOW, AFTER WE TALK ABOUT IT WITH COUNSEL, THERE MAY
4 BE OCCASION IN WHICH IT MIGHT BE DESIRABLE FOR ME TO HAVE A
5 DIRECT CONVERSATION WITH YOU, MR. VLEISIDES.

6 BUT IF THAT WERE TO HAPPEN, IT WOULD ONLY HAPPEN
7 WITH YOUR AGREEMENT, WITH YOUR COUNSEL'S AGREEMENT, IN THE
8 PRESENCE OF YOUR COUNSEL, NOT IN THE PRESENCE OF THE
9 GOVERNMENT -- AND THOSE WOULD BE THE ONLY CIRCUMSTANCES UNDER
10 WHICH WE WOULD HAVE DIRECT CONVERSATION.

11 DO YOU UNDERSTAND THAT?

12 THE DEFENDANT: YES, I DO.

13 THE COURT: UNDERSTANDING ALL OF THESE GROUND RULES,
14 MR. VLEISIDES, DO YOU STILL WANT TO PARTICIPATE IN THIS
15 SETTLEMENT DISCUSSION?

16 THE DEFENDANT: VERY MUCH SO, SIR.

17 THE COURT: OKAY. AND, MR. NICOLAYSEN, AS
18 MR. VLEISIDES' COUNSEL, DO YOU LIKEWISE DESIRE TO CONTINUE TO
19 DISCUSS SETTLEMENT UNDER THESE GROUND RULES?

20 MR. NICOLAYSEN: I DO, YOUR HONOR. THANK YOU.

21 THE COURT: MR. SAUNDERS, DO YOU LIKEWISE WISH TO
22 CONTINUE WITH THIS PROCESS?

23 MR. SAUNDERS: YES, YOUR HONOR.

24 THE COURT: ALL RIGHT. THEN WHAT WE'RE GOING TO DO
25 IS WE'RE GOING TO ADJOURN TO CHAMBERS RIGHT NOW.

1 MR. VLEISIDES, WOULD YOU REMAIN IN THE COURTROOM.
2 IN THE EVENT THAT COUNSEL WILL NEED TO CONFER WITH YOU, HE'LL
3 KNOW WHERE YOU ARE.

4 AND, MR. SAUNDERS AND MR. NICOLAYSEN, I DON'T KNOW
5 WHETHER YOU WANT MR. CARDONA TO ALSO PARTICIPATE, OR IS HE
6 HERE TO SORT OF ENCOURAGE YOU?

7 MR. SAUNDERS: I WOULD LIKE MR. CARDONA --

8 I DON'T NEED ENCOURAGEMENT, YOUR HONOR.

9 (LAUGHTER.)

10 MR. SAUNDERS: I WOULD LIKE MR. CARDONA TO
11 PARTICIPATE.

12 AND IN ADDITION, YOUR HONOR, THE PARTIES HAVE AGREED
13 THAT -- BECAUSE I AM STILL RELATIVELY NEW TO THIS CASE; I TOOK
14 IT OVER FROM A PRIOR A.U.S.A -- THAT INSPECTOR DELANEY MAY
15 ALSO PARTICIPATE TO THE EXTENT THERE ARE ANY FACTUAL ISSUES
16 THAT ARISE THAT I MIGHT NOT BE FULLY FAMILIAR WITH IN THE
17 DISCOVERY AND THE RECORD AT THIS POINT, THAT SHE WOULD BE ABLE
18 TO PARTICIPATE. I JUST WANTED TO ADDRESS THAT.

19 MR. NICOLAYSEN: I'M FINE WITH THAT, YOUR HONOR.

20 THE COURT: ALL RIGHT. THAT'S FINE.

21 MR. NICOLAYSEN: YOUR HONOR, MAY I INQUIRE OF THE
22 COURT, TO WHAT EXTENT WILL ANY OF THE PROCEEDINGS OCCUR FROM
23 THIS POINT FORWARD BE ON THE RECORD?

24 THE COURT: IT WON'T BE. IT WILL BE IN CHAMBERS.
25 THERE WILL BE NO RECORD OF IT. THE ONLY OTHER TIME WHERE WE

1 MIGHT CONCEIVABLY GO ON THE RECORD IS IF THERE IS AN
2 AGREEMENT, THEN WE'LL PUT THE AGREEMENT ON THE RECORD AND
3 WE'LL SHIP IT TO JUDGE PREGERSON TO DO WHATEVER IT IS HE HAS
4 TO DO.

5 MR. NICOLAYSEN: VERY WELL, YOUR HONOR.

6 THE COURT: IF WE DON'T REACH A SETTLEMENT, THERE
7 WILL BE NO FURTHER MATTERS ON THE RECORD.

8 MR. NICOLAYSEN: THANK YOU.

9 THE COURT: OKAY. SEE YOU FOLKS IN CHAMBERS THEN.

10 (PROCEEDINGS IN THE COURTROOM ADJOURN AT 9:46 A.M.)
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1 LOS ANGELES, CALIFORNIA; WEDNESDAY, SEPTEMBER 23, 2009

2 4:07 P.M.

3 --OOO--

4 THE COURT: BACK ON THE RECORD IN UNITED STATES
5 VERSUS SONNY VLEISIDES, CR-07-0134-DDP.

6 WE HAVE HAD A SETTLEMENT CONFERENCE IN THIS CASE. I
7 HAVE HAD OPEN AND FRANK DISCUSSIONS WITH COUNSEL IN THIS
8 MATTER.

9 WE HAVE REACHED A DISPOSITION OF THIS CASE, AND THIS
10 DISPOSITION APPEARS TO BE FULLY SET FORTH IN THE WRITTEN PLEA
11 AGREEMENT FOR DEFENDANT SONNY VLEISIDES, WHICH IS IN A
12 TOTALITY OF 19 PAGES.

13 MR. VLEISIDES, HAVE YOU HAD A CHANCE TO READ THE
14 ENTIRETY OF THIS PLEA AGREEMENT?

15 THE DEFENDANT: NOT IN ITS ENTIRETY, NO.

16 MR. NICOLAYSEN: WELL, WE'VE GONE THROUGH IT,
17 YOUR HONOR. AND MY CLIENT DOES UNDERSTAND WHAT THE PLEA
18 AGREEMENT PROVIDES AND THE ESSENTIAL TERMS OF THIS
19 DISPOSITION.

20 THE COURT: DO YOU AGREE WITH THAT, MR. VLEISIDES?

21 THE DEFENDANT: THAT'S A CORRECT STATEMENT.

22 THE COURT: ALL RIGHT. IS THIS YOUR SIGNATURE ON
23 THIS PLEA AGREEMENT ON PAGE 18?

24 THE DEFENDANT: YES, IT IS.

25 THE COURT: MR. SAUNDERS, YOUR SIGNATURE ON PAGE 18?

1 MR. SAUNDERS: YES, YOUR HONOR.

2 THE COURT: MR. NICOLAYSEN, YOUR SIGNATURE ON
3 PAGE 19?

4 MR. NICOLAYSEN: IT IS, YOUR HONOR.

5 THE COURT: AND DO YOU FOLKS NOW KNOWLEDGE THAT THIS
6 IS THE RESULT OF THE PLEA NEGOTIATIONS AND THE SETTLEMENT
7 DISCUSSIONS THAT WE HAD TODAY.

8 MR. NICOLAYSEN: IT IS, YOUR HONOR, YES.

9 THE COURT: MR. SAUNDERS.

10 MR. SAUNDERS: YES.

11 THE COURT: AND MR. VLEISIDES.

12 THE DEFENDANT: YES, SIR.

13 THE COURT: OKAY. THE COURT WILL ALSO MAKE A
14 FINDING ON THE RECORD THAT THIS DISPOSITION THAT HAS BEEN
15 REACHED AND REFLECTED IN THIS WRITTEN PLEA AGREEMENT IS BASED
16 UPON THE MERITS OF THIS CASE AND IS NOT THE RESULT OF OR IN
17 RESPONSE TO ANY CONCERNS REGARDING THE CONDUCT OF COUNSEL OR
18 THE PARTIES.

19 I MAKE THIS FINDING BASED UPON MY PARTICIPATION IN
20 CONDUCTING THIS SETTLEMENT CONFERENCE AND IN MY SPECIFIC
21 DISCUSSIONS WITH COUNSEL FOR BOTH SIDES DURING THE COURSE OF
22 THIS SETTLEMENT DISCUSSION.

23 ALL RIGHT. AT THIS TIME, THEN WE WILL CONCLUDE
24 HERE. YOU FOLKS ARE DIRECTED TO REPORT TO JUDGE PREGERSON
25 TOMORROW MORNING AT 10:30 A.M. IN HIS COURTROOM FOR THE TAKING

1 OF THE PLEA PURSUANT TO THIS PLEA AGREEMENT.

2 AND AS I SAID BEFORE, COUNSEL, PLEASE ENSURE THAT
3 YOU GIVE JUDGE PREGERSON A COURTESY COPY OF THIS WRITTEN PLEA
4 AGREEMENT SUFFICIENTLY IN ADVANCE OF 10:30 SO THAT HE WILL
5 HAVE HAD AN OPPORTUNITY TO FULLY REVIEW IT.

6 AND MAY I ALSO SUGGEST THAT BETWEEN NOW AND 10:30,
7 THAT MR. VLEISIDES ACTUALLY READ EVERY WORD OF THIS PLEA
8 AGREEMENT --

9 THE DEFENDANT: YES.

10 MR. NICOLAYSEN: YES.

11 THE COURT: -- IN ANTICIPATION OF THE OFFER OF THE
12 PLEA.

13 MR. NICOLAYSEN: WE WILL DO THAT, YOUR HONOR.

14 THE COURT: ALL RIGHT. ANYTHING FURTHER AT THIS
15 TIME, MR. SAUNDERS?

16 MR. SAUNDERS: NO, YOUR HONOR. THANK YOU FOR YOUR
17 TIME.

18 THE COURT: YES.

19 MR. NICOLAYSEN.

20 MR. NICOLAYSEN: NO, YOUR HONOR. THANK YOU AGAIN
21 FOR THE COURT'S TIME.

22 THE COURT: YOU'RE VERY WELCOME. ALL RIGHT. WE'LL
23 STAND ADJOURNED.

24 (PROCEEDINGS CONCLUDED.)

25 --OOO--

CERTIFICATE

I HEREBY CERTIFY THAT PURSUANT TO SECTION 753,
TITLE 28, UNITED STATES CODE, THE FOREGOING IS A TRUE AND
CORRECT TRANSCRIPT OF THE STENOGRAPHICALLY REPORTED
PROCEEDINGS HELD IN THE ABOVE-ENTITLED MATTER AND THAT THE
TRANSCRIPT PAGE FORMAT IS IN CONFORMANCE WITH THE
REGULATIONS OF THE JUDICIAL CONFERENCE OF THE UNITED STATES.

DATE: MARCH 5, 2010.

/S/

MARY RIORDAN RICKEY
OFFICIAL COURT REPORTER